

Office of the Chief Financial Officer National Finance Center P.O. Box 60000 New Orleans Louisiana 70160

Title: Title I, Payroll Personnel Manual

Chapter:

Bulletin: Title I, 06-26, New "GL" Pay Plan Code for Employees Receiving LEO Special Base

Rates

Date: December 15, 2006

To: Holders of Payroll/Personnel Manual

This bulletin provides instructions regarding the implementation of the new GL Pay Plan for employees receiving LEO Special Base rates.

On October 30, 2004, the Federal Workforce Flexibility Act (FWFA) of 2004, Public Law 108-411, was enacted. As a result of Section 301 of this law and regulations that took place on May 1, 2005, the Office of Personnel Management (OPM) issued guidance on "Changes in Documentation for Special Rate Employees". These changes were grouped into three distinct categories: 1) Termination of Underlying Special Rate, 2) Reporting Special Rates as Base Plus Supplement, and 3) New "GL" Pay Plan Code for Employees Receiving LEO Special Base Rates. Implementation of categories 1 and 2 was accomplished earlier this year. Implementation of category 3 was required by OPM to be accomplished by October 1, 2006.

As implied by the title of the guidance, these are changes in documentation and should not result in an overall pay change for any employee who is currently coded properly in the system. Since pay was not (and should not) be affected by these changes, NFC elected to delay implementation until Pay Period 25 (December 18, 2006) with a retroactive effective date of October 1, 2006. This delay provided additional time to the clients for data clean-up and also allowed additional testing time for NFC and affected client agencies to ensure that the transition goes smoothly.

History of LEO Special Base Rate

The Federal Employees Pay Comparability Act of 1990 dated November 5, 1990 (Public Law 101-509, Section 529) established a special base rate for Law Enforcement officers at the grades 03 through 10. While this was not a Special Salary Rate (SSR) in the true sense, OPM treated it as another SSR for the purposes of documentation and processing. OPM established the 0491 SSR table and provided guidance consistent with that for a SSR. As indicated above, when OPM developed the processes for implementing the FWFA of 2004, the decision was made that the special base rate for LEOs be moved from the SSR category and given it's own method for processing since it was a higher base rate and not a true SSR.

N F C

BULLETI

Coverage

N F The LEO special base rates apply to all LEO's at grades 03 through 10. In the NFC system, true LEO's are designated with an A or Y in the LEO indicator. These individuals also have a pay table code of 0491 and a pay rate determinant code of 5, 6, E, or F.

However, some LEO's at grades **03** through **10** in DOJ are currently receiving a higher SSR under 5 U.S.C. 5305. In these cases, the LEO indicator field still reflects the **A** or **Y**, but their PMSO record and IRIS 101 record reflect the SSR table number in lieu of the LEO special base rate table **0491**.

NOTE: Capitol Police LEO's at grades 03 thru 10 are not covered by the LEO Special Base Rate Table 0491 and are not impacted by the change nor are Treasury's LEO's in the IR pay plan.

GL Conversion Basics

All employees covered by the LEO special base rate must be converted to the **GL** pay plan. NFC will sweep the PMSO master record and individual position record on December 18, 2006, as appropriate (see details below).

NOTE: There were some employees who are to be converted to the **GL** pay plan that were sharing master position records with employees who should not be converted to the **GL** pay plan (i.e., individuals not being paid via the **0491** LEO special pay table and not coded with an **A** or **Y** in the LEO indicator field.). A list of these records was provided to your agency's CAPPS representative in September. When doing the PMSO sweep if there are masters within a Personnel Office Identifier (POI) that are assigned to both covered and non-covered LEO's the PMSO records for that POI will be skipped and the POI will have to make the adjustments manually.

On December 18, 2006, NFC will also generate a personnel action to process the conversion for any individual for whom a PMSO record was modified in the above sweep. OPM determined that the action should be a pay adjustment as detailed below.

NOAC: 894 – Pay Adjustment

Authority ZLM

Authority Narrative: PL 101-509 DT 11-5-90*

* The agency must cite this authority on any agency created 894's relative to this

process.

Effective Date: 10-01-2006
Authentication Date: 09-01-2006

Because the authority references a 1990 Public Law and the action is not being processed until 2006, NFC has elected to provide a remark to further explain the change in pay plan.

NFC will have the remark on all system generated personnel actions. NFC also recommends that the agency use this remark on the 894's effective 10-01-2006 that the agency may create in the History Correction Update Processing (HCUP) System to facilitate this conversion.

Remark Code: LEO

Remark Narrative:

EMPLOYEE'S PAY PLAN IS BEING CHANGED FROM GS TO GL TO IDENTIFY GENERAL SCHEDULE EMPLOYEES WHO ARE ENTITLED TO LAW ENFORCEMENT OFFICER SPECIAL BASE RATES AT GRADES 03 THROUGH 10. THE GL PAY PLAN IS A NEW PAY PLAN ESTABLISHED BY OPM IN MAY 2005. OPM REQUIRES THAT THE NEW GL PAY PLAN BE USED FOR ALL QUALIFYING LEOS AT GRADES 03 THROUGH 10 BEGINNING NO LATER THAN OCTOBER 2006.

Pay Table Code: The LEO special base rate is not a special salary supplementary rate under 5 U.S.C. 5305; OPM has eliminated the **0491** salary table. However, to ensure that LEO employees in the **GL** pay plan receive the special base rate to which they are entitled, NFC will NOT use the 0000 salary table for these individuals. NFC has established a pay table in Table Management (TMGT) called **LLEO**. This table is effective **10-01-2006** and is only effective for the **GL** pay plan at grades **03** through **10**. This table code will NOT be passed forward to OPM for Central Personnel Data File (CPDF) or Enterprise Human Resources Integration (EHRI) purposes, but is simply to facilitate the proper handling of the employee's pay and personnel records.

Locality Pay Table Code: In the past NFC has calculated the LEO locality rate in lieu of pulling the information from TMGT as is done with other OPM established locality rates. NFC has taken this opportunity to establish locality tables for LEO's at all grade levels. These tables share their **GS** locality general naming structure, but are preceded with an "L". For example, a LEO covered by the "Rest of the US" locality area would have a locality pay table of **LRUS** in lieu of **4RUS**. For ease of use, the locality tables NFC loaded for LEO's cover all LEO's regardless of whether the LEO is covered by the LEO special base rate. This means that the value that appears for those NOT covered by the special base rate (i.e., GS and NOT **GL**), will match the standard locality table. For example, the value for a GS-11, step 1 on the **LRUS** table will match that on the **4RUS** table. However, for the purposes of the **GL** conversion only, the **GL** employee database records will be updated with the new LEO locality pay table code.

Pay Rate Determinant (PRD) Codes: The PRD codes relative to the GL conversion and referenced throughout this document are listed below along with their definitions.

- 5 Special & Superior Qualifications Rates
- 6 Special Rate
- A Retained Grade-Different Position
- B Retained Grade-Same Position
- E Retained Grade & Special Rate-Different Position
- F Retained Grade & Special Rate-Same Position
- J Retained Pay-Same Position
- K Retained Pay-Different Position

Pay: As indicated earlier, there should be no pay changes relative to the conversion to the GL pay plan. Employee's covered by the new GL pay plan will have the LEO special base rate as their basic rate of pay. The adjusted rate of pay will include either the LEO locality rate or the SSR whichever is applicable.

GL Conversion Process Specifics

Not all employees covered by the GL LEO special base rate are the same, but all can be grouped into seven specific scenarios. These seven scenarios are described below.

Scenario 1: LEOs with a Pay Table Code of 0491 and a PRD of 5, 6, E, or F that have had no personnel actions processed on them since October 1, 2006.

Employees in this category are LEO's at grades 03 through 10 that are <u>not</u> receiving a Special Salary Rate in accordance with 5 U.S.C. 5305. NFC will sweep the PMSO master record to replace the **GS** pay plan with **GL** pay plan. NFC will sweep the PMSO individual position record to replace the **0491** table with the **LLEO** table. NFC will generate the **894** personnel action to change the pay plan. This personnel action will also change the PRD as follows:

From:	То:
5 or 6	0
Е	Α
F	В

The employee's locality pay table code will be updated with the new **Lxxx** locality pay table code. The retained rate records for employees on PRD **E** or **F** will be updated to reflect the new **GL** play plan.

These actions are expected to apply on Monday night, December 18, 2006, and will be on the database Tuesday morning, December 19, 2006.

Scenario 2: LEOs with a Pay Table Code other than 0491 and a PRD of 5, 6, E, or F that have had no personnel actions processed on them since October 1, 2006.

Employees in this category are LEO's at grades 03 through 10 that are receiving a Special Salary Rate in accordance with 5 U.S.C. 5305. NFC will sweep the PMSO master record to replace the **GS** pay plan with **GL** pay plan. NFC will generate the **894** personnel action to change the pay plan. This personnel action will also change the PRD from a **5** to **6**. Those LEOs already coded with a PRD of **6**, **E**, or **F** will retain their current PRD value. The employee's locality pay table code will be updated with the new **Lxxx** locality pay table code.

These actions are expected to apply on Monday night, December 18, 2006, and will be on the database Tuesday morning, December 19, 2006.

There may be some cases in this scenario where the salary for the SSR table falls below the LEO locality rate. Per OPM guidance issued in May 2005 and implemented by NFC earlier this year, the employee should have been removed from the SSR category prior to the **GL** conversion. If this happens, the **894** action will fall into suspense. To resolve the error, the agency will need to create a HCUP case to remove the employee from the SSR at the point (on or after May 1, 2005) that the employee's LEO locality rate exceeded his/her SSR.

Scenario 3: LEOs with a Pay Table Code of 0491 and a PRD of J or K that have had no personnel actions processed on them since October 1, 2006.

Employees in this category are LEO's at grades 03 through 10 that are on retained pay. NFC will sweep the PMSO master record to replace the **GS** pay plan with **GL** pay plan. NFC will sweep the PMSO individual position record to replace the **0491** table with the **LLEO** table. NFC will generate the **894** personnel action to change the pay plan. This personnel action will not change the PRD code. The employee's locality pay table code will be updated with the new **Lxxx** locality pay table code.

These actions are expected to apply on Monday night, December 18, 2006, and will be on the database Tuesday morning, December 19, 2006.

There may be some cases in this scenario where the retained salary rate falls below the LEO locality rate. Per OPM guidance issued in May 2005 and implemented by NFC earlier this year, the employee should have been removed from pay retention when his/her retained rate of pay fell below the step 10 of the his/her current grade prior to the **GL** conversion. In these cases, the **894** action will fall into suspense. To resolve the error, the agency will need to create a HCUP case to remove the employee from retained pay at the point (on or after May 1, 2005) that the LEO locality rate exceeded retained rate.

Scenario 4: LEOs with a Pay Table Code of 0491 and a PRD of 5, 6, E, or F with a personnel action since October 1, 2006.

Employees in this category are LEO's at grades 03 through 10 that are <u>not</u> receiving a Special Salary Rate in accordance with 5 U.S.C. 5305. NFC will sweep the PMSO master record to replace the **GS** pay plan with **GL** pay plan. NFC will sweep the PMSO individual position record to replace the **0491** table with the **LLEO** table. NFC will generate the **894** personnel action to change the pay plan. This personnel action will also change the PRD as follows:

From:	То:
5 or 6	0
E	А
F	В

The employee's locality pay table code will be updated with the new **Lxxx** locality pay table code. The retained rate records for employees on PRD **E** or **F** will be updated to reflect the new **GL** play plan.

These actions are expected to fall into suspense on Monday night, December 18, 2006. The agency will have to create a HCUP case to insert a new 894 for the GL conversion. Because of how the HCUP process works, the agency will be forced to delete the NFC generated 894. The agency initiated 894 should be consistent with the criteria for scenario 4. The agency will need to do an 002 to all intervening personnel actions in the HCUP case to ensure that the GL pay plan and appropriate PRD codes are applied to all intervening actions.

Scenario 5: LEOs with a Pay Table Code other than 0491 and a PRD of 5, 6, E, or F with a personnel action since October 1, 2006.

Employees in this category are LEO's at grades 03 through 10 that are receiving a Special Salary Rate in accordance with 5 U.S.C. 5305. NFC will sweep the PMSO master record to replace the **GS** pay plan with **GL** pay plan. NFC will generate the **894** personnel action to change the pay plan. This personnel action will also change the PRD from a **5** to **6**. Those LEOs already coded with a PRD of **6**, **E**, or **F** will retain their current PRD value. The employee's locality pay table code will be updated with the new **Lxxx** locality pay table code.

These actions are expected to fall into suspense on Monday night, December 18, 2006. The agency will have to create a HCUP case to insert a new 894 for the GL conversion. Because of how the HCUP process works, the agency will be forced to delete the NFC generated 894. The agency initiated 894 should be consistent with the criteria for

scenario 5. The agency will need to do an 002 to all intervening personnel actions in the HCUP case to ensure that the GL pay plan and appropriate PRD codes are applied to all intervening actions.

As in Scenario #2, there may be some cases in this scenario where the salary for the SSR table falls below the LEO locality rate. Per OPM guidance issued in May 2005 and implemented by NFC earlier this year, the employee should have been removed from the SSR category prior to the **GL** conversion. If this happens, the **894** action will fall into suspense. To resolve the error, the agency will need to create a HCUP case to remove the employee from the SSR at the point (on or after May 1, 2005) that the employee's LEO locality rate exceeded his/her SSR and insert the GL conversion 894 into the package with the appropriate dates.

Scenario 6: LEOs with a Pay Table Code of 0491 and a PRD of J or K with a personnel action since October 1, 2006.

Employees in this category are LEO's at grades 03 through 10 that are on retained pay. NFC will sweep the PMSO master record to replace the **GS** pay plan with **GL** pay plan. NFC will sweep the PMSO individual position record to replace the **0491** table with the **LLEO** table. NFC will generate the **894** personnel action to change the pay plan. This personnel action will not change the PRD code. The employee's locality pay table code will be updated with the new **Lxxx** locality pay table code.

These actions are expected to fall into suspense on Monday night, December 18, 2006. The agency will have to create a HCUP case to insert a new 894 for the GL conversion. Because of how the HCUP process works, the agency will be forced to delete the NFC generated 894. The agency initiated 894 should be consistent with the criteria for scenario 6. The agency will need to do an 002 to all intervening personnel actions in the HCUP case to ensure that the GL pay plan and appropriate PRD codes are applied to all intervening actions.

There may be some cases in this scenario where the retained salary rate falls below the LEO locality rate. Per OPM guidance issued in May 2005 and implemented by NFC earlier this year, the employee should have been removed from pay retention when his/her retained rate of pay fell below the step 10 of the his/her current grade prior to the **GL** conversion. In these cases, the **894** action will fall into suspense. To resolve the error, the agency will need to create a HCUP case to remove the employee from retained pay at the point (on or after May 1, 2005) that the LEO locality rate exceeded retained rate and insert the GL conversion 894 into the package with the appropriate dates.

N F C Scenario 7: Employees who were GL LEOs in one of the above categories on October 1, but no longer fit the criteria for the LEO special base rate.

These employees are individuals who are no longer with the agency and/or are no longer in a covered position. The agency will need to do a HCUP case to insert the 894 action consistent with scenario 4, 5, or 6 above – whichever was applicable to the employee on October 1, 2006.

NFC will not automatically generate personnel actions on individuals in this scenario. However, a list of employees in this situation will be provided to your departmental liaison (this is your agency's Committee for Agriculture Payroll/Personnel System (CAPPS) representative in most cases) the week of December 18, 2006.

Assistance on the GL Conversion Process

Should you encounter issues or problems relating to the GL conversion project, NFC requests that POI's work directly with your agency's departmental liaison (this is your agency's CAPPS representative in most cases). These individuals have been involved in the testing process and understand the issues that may arise. In the event that your agency representative(s) is (are) unable to resolve the issue for you, they will contact the appropriate NFC staff.

Inquiries

As always, pay setting assistance should be obtained from your agency or department pay policy experts.

MARK J. HAZUDA, Director

Mal Hayh

Government Employees Services Division